GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3481
ANSWERED ON:15.05.2006
NOTICES ISSUED BY NPPA
Muqueem Shri Mohammed

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether National Pharmaceutical Pricing Authority (NPPA) has issued notice to nine companies for abnormal increase in the price of twenty one medicines;

(b) if so, the names of the companies, products and the price of each medicine and the extent of increase in price; and;

(c) the action being taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERSAND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a) to (c): As per the present Pharma Pricing Policy, the 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price contro! and their prices are fixed / revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95. These drugs have been kept under price control on the basis of criteria mentioned in ` Modifications in Drug Policy,1988`, announced in September, 1994. Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc., Tne NPPA monitors the prices of medicines as per monthly Retail Audit Reports of ORG-IMS Research Pvt. Ltd. The Government takes corrective measures where the public interest is found to be adversely affected. During the course of its monitoring activity for non Scheduled formulations, the NPPA has detected some cases where the price increase was more than 20% during a span of 12 months as per ORG-IMS data. The NPPA has referred these cases to the Department of Chemicals and Petrochemicals for appropriate action.